

Metropolitan Parks and Open Space Commission

Meeting date: September 6, 2016

For the Community Development Committee meeting of September 19, 2016

For the Metropolitan Council meeting of September 28, 2016

Subject: Minimum Percentage of Parks and Trails Legacy Fund grant spending to connect people and the outdoors

District(s), Member(s): All Districts

Policy/Legal Reference: 2040 Regional Parks Policy Plan, Finance Strategy 3

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Division/Department: Community Development, Regional Parks and Natural Resources

Proposed Action

That the Metropolitan Council implement a graduated approach to meeting a minimum percentage of ten percent of Parks and Trails Fund appropriations that is to be spent on “connecting people and the outdoors” by FY 2022/23 biennium. This graduated approach would be implemented as follows:

- Agencies will allocate a minimum of 5% of their Parks and Trails Legacy Fund appropriations to “connecting people and the outdoors” for the FY 2018/19 biennium (beginning July 1, 2017)
- Agencies will allocate a minimum of 7% of their Parks and Trails Legacy Fund appropriations to “connecting people and the outdoors” for FY the 2020/21 biennium (beginning July 1, 2019)
- Agencies will allocate a minimum of 10% of their Parks and Trails Legacy Fund appropriations to “connecting people and the outdoors” for the FY 2022/23 biennium (beginning July 1, 2021)

After the FY 2022/23 biennium, the appropriateness of 10% as the minimum percentage of Legacy spending on “connecting people and the outdoors” will be assessed and altered if appropriate.

Background

In 2008, Minnesotans passed the Clean Water, Land and Legacy Amendment (also known as the “Legacy Amendment”), which is funded by a 3/8 percent increase in the state sales tax. Minnesota’s parks and trails of statewide and regional significance receive 14.25 percent of the funds generated by the Legacy Amendment, which make up the Parks and Trails Fund. These dollars are then allocated to the Metropolitan Council, the Department of Natural Resources and Greater Minnesota Regional Parks and Trails Commission who act as the fiscal agents of the fund. The Metropolitan Council’s share of the Parks and Trails Fund are allocated to the ten regional park implementing agencies through the Council’s Parks and Trails Legacy Fund grant program based on a formula specified in state statute (*MN Statute 85.53, Subd. 3*).

The statewide [Parks and Trails Legacy Plan](#), which was created in 2011 to outline a 25-year long-range plan for Minnesota’s state and regional parks and trails, specifies four strategic directions that are to be pursued with Parks and Trails Fund dollars:

- Connect people and the outdoors
- Acquire land, create opportunities
- Take care of what we have

- Coordinate among partners

As the fiscal agent responsible for the administration of Parks and Trails Fund appropriations to the regional park implementing agencies, the Metropolitan Council plays an important role in ensuring that Legacy dollars are spent in accordance with the strategic direction outlined in the *Parks and Trails Legacy Plan*. Historical spending trends demonstrate that between 2010 and 2015, only three percent of Parks and Trails Legacy dollars have been spent on the pillar of “connecting people and the outdoors.” While regional park implementing agencies pursue many efforts to connect people and the outdoors, the Parks and Trails Legacy Fund grant program enables them to do more in this regard, such as enhancing what they are currently doing, as well as being creative and innovative to capture and serve a broader and more diverse population. Thus, the Metropolitan Council put forward a commitment in the *2040 Regional Parks Policy Plan* to identify a minimum percentage of Parks and Trails Legacy appropriations that should be used to “connect people and the outdoors.”

The *2040 Regional Parks Policy Plan* states that “in close collaboration with the regional park implementing agencies, the Parks and Trails Legacy Advisory Committee, and other partners and stakeholders, the Metropolitan Council will identify a minimum percentage of Parks and Trails Legacy appropriations that should be used to ‘connect people and the outdoors,’” and to “require regional park implementing agencies to adhere to the determined minimum level of spending as it pertains to their annual share of Parks and Trails Fund appropriations” (page 99).

As directed in the *2040 Regional Parks Policy Plan*, the Metropolitan Council engaged in discussion with stakeholders throughout the region. In sum, a total of 55 stakeholders provided their input. Several meetings were convened to garner perspective on a minimum percentage of Legacy funds that should be used to “connect people and the outdoors.” Two meetings were held with the regional park implementing agencies. Staff from all ten agencies participated in the discussions, and allocation amount proposals ranged from “as small as possible” to up to ten percent. Many agencies agreed that the implementation of a minimum percentage of spending of Parks and Trails Legacy dollars on connecting people and the outdoors should be increased in small increments each biennium until the desired minimum percentage is reached. The strategy was perceived to allow for a realistic adjustment in current spending patterns, as well as accommodate planned expenditures approved by their respective Boards. Conversations with other regional park partners as well as the Parks and Trails Legacy Advisory Committee conducted in separate meetings also emphasized this implementation strategy. The Parks and Trails Advisory Committee also emphasized assessing the effectiveness of the minimum percentage Legacy funds to be spent on “connecting people and the outdoors” after several years and adjust the minimum as appropriate.

Conversations held with regional park users showed that they would like more money to be spent on efforts that connect people and the outdoors—71.4% of the suggestions for spending in regional parks involved connecting people and the outdoors. Previous research conducted by the Metropolitan Council also suggests this. The 2014 study [*Regional Park Use Among Select Communities of Color*](#) found that four out of the six top suggestions to enhance regional park visits were efforts that connect people and the outdoors.

A large variability in feedback was received from the various stakeholders. Consideration of the feasibility among regional park implementing agencies is warranted given their previous spending commitments and project sequencing. A graduated approach is called for that enables regional park implementing agencies to progressively increase the amount of Parks and Trails Legacy Fund dollars spent on connecting people and the outdoors. The minimum percentage is not meant to provide

guidance on how much should be spent on connecting people and the outdoors. It is solely meant to establish a minimum threshold.

Rationale

The *2040 Regional Parks Policy Plan* puts forth the commitment to—in collaboration with regional park implementing agencies, the Parks and Trails Legacy Advisory Committee, and other partners and stakeholders—identify a minimum percentage of Parks and Trails Legacy appropriations that should be used to “connect people and the outdoors,” and to require regional park implementing agencies to adhere to the determined minimum level of spending as it pertains to their annual share of Parks and Trails Fund appropriations.

Funding

The Metropolitan Council is the fiscal agent for the metropolitan share of the statewide Parks and Trails Fund and is allocated to the ten regional park implementing agencies through the formula specified in *MN Statute 85.53, Subd. 3*.

Known Support / Opposition

Stakeholder engagement identified a diverse continuum of recommended minimum percentage of Parks and Trails Legacy Fund spending toward “connecting people and the outdoors”. The input ranged from as little as possible to upwards of over two thirds of the total appropriation.